



MONTANA OFFICE OF TOURISM | DEPARTMENT OF COMMERCE

EXHIBIT 3
DATE 1/26/11
MO-Commerce

Overview of Media Agency Placement Arrangement (Spark Communications)

January 24, 2011

BACKGROUND

In 2007, through a competitive process, the Montana Department of Commerce, Office of Tourism contracted with MercuryCSC (Bozeman, Montana) for marketing and advertising services. The contract calls for the contractor, MercuryCSC (MCSC), to provide a range of services for the Office of Tourism (MTOT), from design and production of advertisements to planning, buying, and negotiation of media placement for those advertisements. MercuryCSC performed all duties of the contract, including media buying services, with in-house staff.

ISSUE

During contract renewal negotiations for FY 2010, it was determined that the quality of media buying services could be improved by subcontracting them out to an agency that specialized in media buying. Subcontracting any part of the work under the contract is allowed, as long as it is demonstrated to be in the best interest of the State, and is agreed upon by the State.

SOLUTION

Spark Communications (Chicago, Illinois) was selected to plan, negotiate, place, monitor, and measure a media plan of \$3.5 million+. Deciding factors included:

1. Spark is part of Starcom MediaVest Group (SMG), a global media planning and buying agency, which gives them access to strong resources such as syndicated and proprietary research and buying power resulting from SMG's global billings of more than \$27 billion (2009).
2. Strong strategic approach/process to media planning and buying. Dedicated, day-to-day team of 3-5 senior media experts.
3. Great business cases that demonstrated creative, big picture thinking, integration between online and traditional media and driving business objectives.
4. Named "2010 Boutique Agency of the Year" by Media Magazine. Small agency nimbleness and client service with big-agency resources.
5. Spark's annual fee of \$300,000 was significantly less than the previous fees paid to MCSC (although overall costs--media placement and advertising production--have increased slightly due to a non-subsidized hourly rate).

Cost Analysis (based on \$3.5M net media buy for comparison purposes)

FY09 - MercuryCSC media markup: \$420,000

FY10 - Spark fee: \$300,000

P.O. Box 200533 | 301 S. Park Ave.
Helena, MT 59620-0533 | 406.841.2870 phone | 406.841.2871 fax | visitmt.com

Brian Schweitzer, Governor

RESULTS

As agency of record, MCSC continues to oversee media efforts for the State, ensuring that the advertising message and the media are cohesive and complementary.

This combination of strategic leadership, message development, and advertising design by a Montana-based agency, in partnership with one of the nation's leading media agencies, has produced effective, cost-efficient campaigns for Montana:

1. COST EFFICIENCY: Spark negotiated more than \$2.1 million worth of media savings and additional placement at no cost to the State, extending the State's media budget by 60%.
2. NATIONAL & INTERNATIONAL RECOGNITION OF EXCELLENCE: Media campaigns placed by Spark on behalf of Montana were internationally recognized for their effectiveness and creativity, winning awards from the U.S. Travel Association, Hospitality Sales & Marketing Association International, and MediaPost's Creative Media Awards.
3. RESULTS: Key success metrics rose significantly in first year with Spark versus the previous year.
 - a. Awareness of Montana's advertising more than doubled year-over-year, despite similar spending levels.
 - b. The percentage of the target audience likely to travel to Montana nearly doubled in 2010 (reaching 23%) over 2009 (13%).
 - c. Record visitation in Glacier and Yellowstone National Parks, record occupancy levels during peak travel months, overall MT visitation rebounding to pre-recession levels.



MONTANA OFFICE OF TOURISM | DEPARTMENT OF COMMERCE

To: Joint House Appropriations Committee on General Government

From: Anna Marie Moe, Acting Division Administrator
Department of Commerce

Date: January 25, 2011

RE: Montana Film Incentive Rankings

During my subcommittee presentation, I stated that I would provide the subcommittee information on the ranking of Montana's Film Incentive. There are several third party companies that compile the film incentives into both a printed piece as well as creating internet sites. The Cast and Crew Entertainment TIP The Incentives Program brochure which is entered into the record is an example of a printed piece. Internet sites such as <http://castandcrew.com> and www.entertainmentpartners.com provide direct comparison among different jurisdictions. The latter site also includes some international incentives. Due to the complex nature of the film office incentives, these third party incentive sites do not provide a state by state ranking.

Therefore, strictly as an internal working document, our Montana Film Office takes this information and provides a ranking for our internal use and comparison purposes. The attached copy is current as of December 31, 2010.

U.S. Domestic Production Incentives Comparison Report

STATE	TYPE	BENEFIT	CAPS PER PROJECT / FUNDING PER YEAR	PROJECT CRITERIA	SALES / HOTEL EXEMPTIONS	SUNSET / REVIEW	OTHER CONSIDERATIONS
1 *Michigan	Refundable & Transferable Tax Credit	40% local spend; plus 2% for production in certain "core areas"; 30% for qualified personnel expenditures (i.e. non-resident below the line crew); 25% infrastructure investment tax credit; (loan program isn't currently funded)	\$2M cap/person on compensation; no per picture or per yr maximum; \$20M annual cap for infrastructure investments	Minimum local spend = \$50,000 for direct production and qualifying personnel credit; \$250,000 for infrastructure investment	No / Yes	No cap on Sunset; Annual Report required (9/30/15 for infrastructure invest. credit)	Mostly union crew base; several hundred crew members; building 3 new sound stages. Headed for a \$1.5B deficit next fiscal year, according to gov estimates, while its budget for film credits is \$125M.
2 District of Columbia	Rebate	42% of qualifying direct production expenditures or 21% of those that are not subject to DC tax; 30% qualified personnel expenditure; 50% qualified job training expenditures and 25% of the base infrastructure investment	Funding determined on a case by case basis	Minimum local spend = \$250K	No / No	Annual Review	Crew directory available
3 Puerto Rico	Transferable Tax Credit	40% of local spend; for infrastructure projects, the lesser of 40% of the cash investment or 20% of the budget	≥ 50% of principal photography must be local or local spend ≥ \$1M; min budget for short-subject films = \$100,000, for series = \$1M; infrastructure >\$5M or investment greater than 25%	Minimum budget for film ≥ \$50K; local spend must be ≥ \$25K; minimum budget for bonus must be ≥ \$20K; minimum spend for 10% credit on construction = \$350K for film; \$100K for music; 25% credit on projects over \$1M	No / No	12/31/19	Crew directory available
4 Oklahoma	Rebate	35% film enhancement rebate; bonus 2% for OK music/recording; 10% to 25% credit for construction of OK film/music facilities; 25% credit for investment in film/music project	\$5,000,000 per year	≥ 50% of the cash invested as equity in the film project; ≥ \$15,000,000 per year (cap can be raised on per project basis)	Yes / No	12/31/14	2 crews deep for smaller non-union independent films (<\$10,000,000); no union crew because Oklahoma is a right-to-work state
5 *Missouri	Transferable Tax Credit	35% local spend, excluding compensation > \$1,000,000 paid to any person	\$4,500,000 annual funding	Minimum local spend = \$50,000 if < 30 mins and \$100,000 if > 30 mins	No / No	11/28/13 unless reauthorized	Crew directory available
6 Alaska	Transferable Tax Credit	30% on local spend; an additional 10% for Alaska based crew services; 2% for expenditures in a rural area, and 2% for expenditures between 10/1 & 3/30	Aggregate tax credits ≤ \$100M (approx. \$67M remaining as of 9/1/10)	Minimum local spend = \$100,000 over a 2 year period	**NA/No	Exhaustion of cap or 7/1/13; reports req'd	Crew directory available
7 Louisiana	Transferable Tax Credit (partially refundable); can be transferred to state for 85% tv	30% local spend and payroll for residents and 5% of resident payroll ≤ \$1M	\$1M per person cap on 5% resident payroll credit; no project or funding caps	Minimum local spend > \$300,000;	No / No	None	8-9 Deep Statewide; Louisiana is a right-to-work state
8 New York	Refundable Tax Credit	30% local spend; 10% of qualifying post-production spend (if 30% credit not claimed); 4% - 5% of eligible investment credit base	\$420M/yr through 2014 w/ up to 7M/yr allocated to post-production credit	Level 1 = budget ≤ \$15M & produced by company ≤ 5% owned by public trade entity; Level 2 = budget > \$15M or producer is ≥ 5% owned by PTE; Both Level 1 & 2 must spend ≥ 75% of all facility related costs; location shooting days must be ≥ 75% of total days; location requirement is waived if production spends ≥ \$2M; 10% post-production credit avail if qualified costs at a qualified facility ≥ 75% of facility costs; investment tax credit is avail for tangible property containing at least 1 sound stage ≥ 7,000 ft. sq	Yes / No	12/31/14	Substantial crew base, especially in New York City
9 Connecticut	Transferable Tax Credit	10-30% local spend for qualifying film and digital animation; Infrastructure tax credit is 20%	No project caps; digital animation production credit is capped at \$15M per yr; aggregate "star talent" compensation cap of \$20M	Min local spend of \$100,000- \$500,000 credit = 10%; > \$500,000- \$1M credit = 15%; and if > \$1M credit = 30%; film projects must meet 25% local principle photography or 50% of post-production costs or spend \$1M+ in-state on post production; infrastructure projects costing ≥ \$3M credit = 20%	Yes / Yes	Annual Review of "Workforce Competitive" status report	Connecticut has over 120 union members residing in the state
10 South Carolina	Rebate	30% of local spend; 20% of all wages subject to withholding paid to actors, SC residents, and anyone working on TV series; 10% wage rebate for non-resident crew up to \$3,500 per person	No project caps; annual funding of \$10M for wage rebate; 26% of admission tax collected for previous year for supplier rebate	Min local spend ≥ \$1,000,000 during tax yr	Yes / Yes	15% = None 30% & 30%	South Carolina has a crew base of 1.5 crews; Right-to-work state; SC and NC crewmembers work under stipend agreement

Montana Film Incentive Ranking

STATE	TYPE	BENEFIT	CAPS PER PROJECT FUNDING PER YEAR	PROJECT CRITERIA	SALES / HOTEL EXEMPTIONS	SUNSET / REVIEW	OTHER CONSIDERATIONS	1/24/2011
11 Washington	Rebate	30% of local spend	\$3,500,000 per year annual funding	Minimum local spend = \$500,000 for feature films; \$300,000 for television productions; \$150,000 for commercials	Yes / Yes	July 2011	Three deep statewide crewbase; crew directory available	
12 Oregon	Rebate		OPIF Rebate = up to 10% of Oregon-based wages paid; AND 20% of local spend (other than wages); GOLR Rebate = up to 6.2% of payroll subject to local withholding	\$7.5M annual funding cap for the OPIF; GOLR = no annual funding cap; project capped by aggregate rate	*NA/ Yes	12/31/11	2 deep statewide; crew directories available; Loan-out companies must be registered in Oregon	
13 Illinois	Transferable Tax Credit		30% of local spend, plus 15% of the Illinois labor expenditures in specially designated areas of high poverty and high unemployment	Compensation not to exceed \$100,000 / resident employee; no project or funding caps	Minimum local spend > \$50,000 for productions < 30 min; > \$100,000 for productions ≥ 30 min	No / Yes	None	Large crew base mainly in Chicago area.
14 West Virginia	Transferable Tax Credit		27% of local spend and an additional 4% if ≥ 10 residents employed full time, for total of 31%	No per project cap; \$10M annual funding	Minimum local spend = \$25,000	Yes / Yes	None	No state withholding on payments to loan-out companies; crew directory available; most crew reside in the Charleston metro area
15 New Mexico	Refundable Tax Credit	25% of local spend	\$5M cap per project on the credit for all "performing artists" compensation; amount paid to artists must not exceed \$20K; no other projects or caps	Script Review	Yes / Yes	None	Loan program for productions available; 3,000 crew members deep statewide	
16 North Carolina	Refundable Tax Credit	15% of local spend, or an "alternative" 25% refundable credit; all are subject to sale and use tax and 6.9% income tax; effective 1/1/2011 the credit will become 25% of local spend, no longer subject to state income tax	Cap of \$1M on compensation; \$7.5M per feature film; no other caps; effective 1/1/2011 the feature film cap will increase to \$20K	Minimum local spend = \$250,000	Yes / Yes	12/31/13	2,000 crew members deep statewide; North Carolina is a right-to-work state;	
17 Massachusetts	Transferable Tax Credit (partially refundable)	25% of payroll in the state (excluding persons paid ≥ \$1,000/year); no 50% test for payroll credit; and 25% of local spend (including salaries ≥ \$1M) if > 50% in-state prod expenses or ≥ 50% in-state principal photography.	No caps per project	35% rebate for payroll expenses to Alabama residents when those expenses exceed \$500,000 but are less than \$1M; for soundtracks min = \$50,000 & max = \$300,000	Yes / No	12/31/22	4 deep statewide; Payments to a loan-out corporation; no longer grants waivers of withholding for payments made to loan out companies or to ind contractors	
18 Alabama	Refundable Tax Credit	25% production expenditure tax credit (excluding payroll to AL residents) and 35% resident payroll rebate	Annual funding caps; \$7.5M for FY 2010, and \$10M for FY 2011 and beyond	Minimum local spend ≥ 60% of the budget	No / Yes	None	Crew directory available	
19 Ohio	Refundable Tax Credit	25% of local spend excluding resident cast and crew; 35% of resident cast and crew	Per project cap of \$5M; \$30M available for FY10-11 Biennium; \$20M for subsequent biennia	Minimum local spend > \$300K	No / Yes	Report due 9/1 each year	Loan-out companies must be registered in PA; Crew directory available	
20 Pennsylvania	Transferable Tax Credit	25% of local spend	\$15M per project cap on comp; Annual funding for 2010-2011 is \$60M; for 2011-2012 is \$75M	≥ 51% of principal prod days must be local; min budget = \$300,000 of \$1M	No / No	None	Crew directory available	
21 Rhode Island	Transferable Tax Credit	25% of local spend	No per project cap; annual cap of \$1M	Minimum local spend = \$500,000; > 50% of production must be local	Yes / No	Over 650 IATSE members & 3,000 SAG members; crew directory available	80 to 120 IATSE crew members who can work as locals; others can be "permitted in" as needed	
22 Maryland	Rebate	25% of local spend	No per project cap; \$1M budget for 2011 fiscal year	Minimum local > \$50,000 within 12 months of principal prod; ≥ 35% of budget must be spent in state	Yes / No	None		
23 Wisconsin	Refundable Tax Credit	25% of salaries and wages to residents making ≤ \$250,000; 25% local spend; 15% of amounts to establish or operate production company in state	\$500,000 cap /year in total	Minimum local spend = \$20,000 in base investment aid (or local payroll)	Yes / No	None	Most crew base resides out-of-state; Right-to-work state	
24 Mississippi	Rebate	20% on local spend; 20% of payroll paid to nonresidents and 25% of payroll paid to residents	Cap of \$1M on resident and non-resident payroll; \$8M cap/project; \$20M fiscal yr cap (\$15.9M left as of 1/1/10)	For tax credit: no per project cap; funding cap at \$15,587,400 for 2010 & 2011; (\$3,373,183 left as of 9/9/10); for rebate (w/ \$500K per project cap): funding cap at \$6,418,445 (\$3,228,410 left as of 9/9/10)	As of 7/1/11, the office may not issue tax credit certif. unless the legis. provides funding	None/ non-resident rebate expires 6/30/2012		
25 Utah	Rebate or Refundable Tax Credit	20% tax credit of dollars left in state	Minimum local spend = \$1M	Minimum local spend = \$500,000 for motion picture, \$200,000 for documentary, \$50,000 documentary	Yes / Yes	12/31/14	Crew directory available	
26 Kentucky	Refundable Tax Credit	20% on qualifying expenditures	\$15% available for projects spending ≤ \$5M w/in 12 month period; 20% available if local spend w/in 12 mos; ≥ \$5M or principle photography or spend ≥ 50% outside metro area w/ in 12 mos of certification	Features must be ≥ 80 mins, ≥ 60% of principle prod or local spend for principle prod & post-prod	Yes / Yes (sales tax relief for commercials)	Until all funds are expended	Crew directory available	
27 Minnesota	Rebate		\$1,225,000 appropriations to film production jobs through 6/30/11					

STATE	TYPE	BENEFIT	PROJECT CRITERIA		SALES / HOTEL EXEMPTIONS	SUNSET / REVIEW	OTHER CONSIDERATIONS
			CAPS PER PRODUCTION	FUNDING PER YEAR			
28 Georgia	Transferable Tax Credit	20% of local spend, plus an additional 10% if the qualified production activities include a "qualified Georgia promotion"	\$500,000 per person/project cap on W-2 salaries; no cap on compensation paid to loan-outs; no project or funding caps	Credit capped at \$8M / project; \$125K / independent project; \$500K / commercial and music video; wages and compensation capped at \$400K / person; annual funding caps: 2010-2011-\$53.5M, 11-12=\$74.5M, 12-15=\$38M / year	Minimum local spend = \$500,000 ≥ 50% of cast and below-the-line crew must be residents; local spend = \$625K for general production projects, minimum local spend \$10K and max \$500K for commercial; independent qualifying local spend ≥ \$100K to ≤ \$625K	Yes / No	None
29 Florida	Transferable Tax Credit	20% of local spend (including digital media projects); 5% bonus for "off season" projects and 5% bonus for "family-friendly" projects	\$500,000 per person/project cap on W-2 salaries; no cap on compensation paid to loan-outs; no project or funding caps	\$125K / independent project; \$500K / commercial and music video; wages and compensation capped at \$400K / person; annual funding caps: 2010-2011-\$53.5M, 11-12=\$74.5M, 12-15=\$38M / year	Substantial crew bases in Miami and Orlando; Florida is a right-to-work state;	Transferable credit sunsets 6/30/15	5,440 crew members deep statewide; right-to-work state
30 California	Non-Refundable, Non-Transferable Tax Credit	20% on qualifying local spend; 25% of qualifying local spend for qualifying television series and independent films	No compensation caps; feature film budget -\$75M; independent film=\$10M; \$100M funding per fiscal year thru FY14; ≤ \$10M /year for independent films	≥ 75% of production days or total production budget within state; minimum budget of \$1M for feature films, independent, and new TV series; \$500K for MOWs and miniseries	Yes / Yes	6/30/14	Substantial crew base statewide; estimated to be over 100 deep; California serves as the production hub of the U.S. which has an effect on its overall ranking
31 Hawaii	Refundable Tax Credit	15% of local spend in Hawaiian counties with a population ≥ 700,000 and 20% of spend in Hawaiian counties with a population < 700,000	\$8,000,000 per project; no annual cap	Minimum local spend = \$200,000 Performance-based incentive that provides cash rebate at the Governor's discretion	No / No	12/31/15	Adequate crew base; crew directory available; Loan-out companies must register to do business
32 Virginia	Rebate	Discretionary cash rebate; in addition, 15-20% refundable tax credit will be available 1/1/11	\$2M has been appropriated for the rebate for the biennium; \$2.5M available for refundable tax credit effective 1/1/11	Minimum local spend within 12 months of \$500K if headquartered out-of-state, \$1.50K if within; \$1M local spend to qualify for the headquarters rebate	Yes / Yes	None	2 deep statewide; Virginia is a right-to-work state
33 Tennessee	Grant & Refundable Credit	17% qualifying local spend; additional 15% for local headquarters	Salaries and fees capped at \$250K	Minimum local spend ≥ \$50,000 within 6 months	No / Yes	6/30/19	Crew directory is available; no state income tax; Tennessee is a right-to-work state
34 Arkansas	Rebate	15% on qualifying local spend; plus 10% below-the-line payroll to residents	Salaries greater than \$500,000 are excluded; no project caps; all applications accepted on first come first serve basis	Minimum local spend ≥ \$50,000 within 6 months	No / No	6/30/19	Right-to-work state
35 Montana	Refundable Tax Credit	14% of residents' wages (up to \$50,000 each); 9% of local spend (eligible expenditures must be paid in full before credit is claimed)	No project or annual caps, per person cap of first \$50,000 on resident wages	No minimum spend; certification	**NA / Yes	12/31/14	NA has 300 freelance crew members in almost every physical production job category, and a full service grip & electric rental house
36 Indiana	Refundable Tax Credit	15% of production expenditures for productions based on agreement with IEDC	No per project cap; \$2.5M annual funding	Theatrical & television projects must incur or make production expenditures ≥ \$100K; other production expenditures ≥ \$50K	No / Yes	12/31/11	Crew directory available
37 Wyoming	Rebate	12% to 15% of local spend	No per project cap	Minimum local spend = \$200,000	No / Yes	6/30/2011	Wyoming is a right-to-work state
38 Colorado	Rebate	10% of local spend	\$3M cap on compensation, 09-10 FY funding set at \$600,000	Minimum local spend = \$100,000 for local companies, \$250,000 for out-of-state companies; ≥ 25% of workforce must be CO residents	No / Yes	7/1/17	Most crew located in metro Denver area
39 Maine	Wage Rebate	10% on non-residents; 12% on residents; 5% tax credit on qualified local spend	No caps on projects or funding; wages are capped at \$50,000 per person	Minimum local spend = \$75K in 12 consecutive months	Yes / Yes	None	Crew directory available; about 350 skilled production professionals; projects rely heavily on Maine crew
40 Texas	Grant	5%-15% of local spend, or 8-25% of wages paid to residents; if ≥ 25% of filming days are in "underutilized areas" grant increases by 2.5% for local spend or 4.25% for wage	No caps; compensation in excess of \$1M is excluded; \$16M in funding remains for the fiscal year ending August 31, 2011	Minimum local spend = \$250,000 for film or tv, or \$100,000 for commercials; ≥ 70% of cast and crew must be residents; ≥ 60% of moving image must be filmed locally	Yes / Yes	None	Crew directory available; crew bases mostly in Dallas and Austin; Texas is a right-to-work state
41 Arizona	Transferable Tax Credit	SET TO EXPIRE 12/31/2010. Currently 20% of local spend between \$250,000 and \$1M; 30% of production local spend > \$1M; 15% of base investment in infrastructure projects	\$9M per project in 2010; 70M for 2010; % reserved for commercial and music videos	Minimum local spend = \$250,000 in 24 months; 50% of full-time employees = residents in 2009-2010	Yes / No	12/31/10	2.5 crews deep statewide for large motion pictures; Crew directory available; Arizona is a right-to-work state; *session ended without replacing incentive
42 Idaho	Rebate	20% of qualifying spend	Capped at \$500,000 per production; Not funded yet	\$200,000 minimum local spend; 7/1/08-6/30/10, 20% of crew must be residents; 7/1/11 increase to 25%; 7/1/12 increase to 30%; 7/1/12 increase to 35%	Yes / Yes	6/30/14	Crew directory; Right-to-work state

STATE	TYPE	BENEFIT	CAPS PER PROJECT FUNDING PER YEAR	PROJECT CRITERIA	SALES / HOTEL- EXEMPTIONS	SUNSET / REVIEW	OTHER CONSIDERATIONS
43 New Jersey		TEMPORARILY SUSPENDED UNTIL FY12.			Yes / Yes		Larger crew base mainly from NYC. Proposed legislation to expand the film & digital media tax credits, including an increase in the annual funding caps to \$50M & \$10M respectively, was referred to the Assembly Appropriations Committee.
44 Kansas		SUSPENDED for 09-10			No / Yes		1.5 - 2 deep statewide; Right-to-work state; Loan-out company must be subject to Kansas income tax
45 Iowa		CURRENTLY SUSPENDED			No / Yes		Suspended until July 1, 2013
46 Vermont				Yes / Yes			
47 South Dakota				Yes / Yes		Right-to-work state	
48 Delaware				**NA / No			
49 New Hampshire				**NA / No			
50 Nebraska				No / Yes			
51 North Dakota				No / Yes			
52 Nevada				No / Yes			
U.S. Federal*	Immediate Deduction	100% of the production cost (for the first \$15M of qualified expenses)	Deduction applies to first \$15M; \$20M in incurred in designated low-income areas	≥ 75% of total "compensation" must be for services performed in the U.S.	No personal income tax	Internal Revenue Code section 181 allows for immediate expensing of film production costs for qualifying U.S. films, but expired at the end of 2009. A retroactive extension has been proposed but was recently deleted with all "extenders" from HR 4213 before passing. The new extenders legislation, with retroactive extension of IRC section 181, may be added to the Small Business Lending Fund Program (see HR 5397), or addressed after the August recess.	Large crew base mainly from NYC. Proposed legislation to expand the film & digital media tax credits, including an increase in the annual funding caps to \$50M & \$10M respectively, was referred to the Assembly Appropriations Committee.

* Pending Legislation

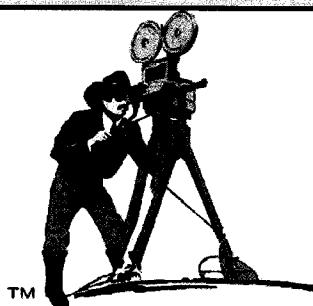
** State does not impose sales and use tax

2010 PRODUCTIONS

2010 Totals

Commercials	16
Documentaries	7
Independent Features	2
Industrial/Corporate	11
Multimedia/Web	1
Music Videos.....	1
Short Films	1
Still Shoots	3
Television	26
Total Productions	68
Estimated Revenue.....	4.5 million

Assists 5



On Location in
MONTANA

Montana Film Office

Dept. of Commerce

301 S. Park Ave.

Helena, MT 59620-0533

406/841-2876

406/841-2877 (fax)

montanafilm@mt.gov

www.montanafilm.com

PRODUCTION	PRODUCTION CO.	LOCATION	MONTH
Commercials			
3M Automotive DRTV*	Production West	Billings.....	Sep
Anti-Monkey Butt Powder.....	Grizzly Creek Films	Condon area; Swan Lake	Sep
Death With Dignity PSAs.....	Hopcraft Communications	Missoula; Helena	Jan
Dow Great Stuff	Washington Square Films	Great Falls	Aug
Enzymatic Therapy DRTV.....	Production West	Billings.....	Jul
Forever Young DVD.....	Looking Glass Films	Hamilton.....	Dec
Game Saver*	Stafford Multimedia	Bozeman area—Kirk Wildlife Refuge.....	Jul
Goodwill.....	Out in the Cold Prod/Wendt Advertising	Billings.....	Sep
Ice Road Truckers promo*	The Arsenal/History Channel.....	Red Lodge area—Beartooth Highway	Mar
Montana Food Bank Network PSA....	Backtrack Films	Missoula	Oct
Montana Tobacco Use Prevention ...	Three Dog Films	Helena	Jun
Polaris.....	Streetlight Films, USA	Craig area.....	Jun
Stockman Banks	Out in the Cold Prod/Wendt Advertising	Statewide	Aug
Toyota*	Ranch Exit Films	Bozeman	Dec
U.S. Marine Corps*	Bandito Brothers.....	Livingston; Emigrant area	Jul
Wind Energy spec commercial.....	JTP Fifth.....	Cut Bank; Ethridge.....	Sep
Documentaries			
Business of Tourism.....	U.S. Department of State	Bozeman; Deer Lodge; Glacier	Apr
		National Park; Kalispell; Whitefish	
Forgotten Flag Raisers.....	Out in the Front Productions LLC.....	Missoula; Evaro; Pablo; Flathead	Oct
		Indian Reservation	
The Great Wheel of Life.....	Gaeljin Productions/TG4 Network	Bozeman; Butte	Jun
Indian Relay.....	Montana PBS.....	Fort Belknap Reservation	May-Dec
Koani and Her Unusual Pack*	Tree & Sky Media Arts	Hamilton; Missoula; Bitterroot Valley	Apr-Jun
Smoke in the Wilderness	Montana PBS.....	Bob Marshall Wilderness	Jun-Dec
The True Story	Blink Films/Smithsonian Channel....	Bozeman; Choteau area	Jun
Independent Features			
Moonhair*	Moonhair Films LLC.....	Augusta area; Blackfeet Reservation.....	Sep
My Favorite Movie (re-shoots).....	Dream Team Cinema.....	Roberts	Dec
Industrial/Corporate			
Amgen	Out in the Cold Prod/Barrington Media... Billings	Oct
Anheuser Busch	Out in the Cold Productions	Billings; Butte	Jul
ConocoPhillips.....	Out in the Cold Productions	Billings	Nov; Dec
Floating Island International.....	Out in the Cold Prod/Kinetic Marketing ..	Billings	Sep
John Deere.....	Out in the Cold Productions	Billings	Aug
Karen Voight Fitness DVDs.....	Poindexters	Bozeman area	Jul
Navistar	Out in the Cold Prod/Freeman Pictures	Billings	Sep
REC Silane training video*	Video Express Inc.....	Butte; Helena	Mar
Revenue Cycle Partners.....	Out in the Cold Prod/Activated Marketing..	Billings	Apr
SC 2010 demonstration video	Spotlight Films/Trebo Manufacturing	Billings	Oct
Whole Foods.....	Out in the Cold Prod/Spotlight Prod	Miles City	Oct

* Certified Production—The Big Sky on the Big Screen Act

—continued on reverse—

Multimedia/Web

Game Saver* Stafford Multimedia Bozeman area—Kirk Wildlife Refuge Jul

Music Video

Rodney Street Ducks In A Row Helena Jul

Short Films

Hanging the Sheriff Meg McWhinney Bannack; Virginia City Apr

Still Shoots

British GQ British GQ magazine Philipsburg area May

Naturalizer Shoes Tandem Productions Glacier National Park May

Teva fall campaign Teva Footwear Whitefish; Glacier National Park Oct

Television

The American Rancher Spotlight Productions/RFD-TV Big Timber area—Springdale Jan

America's Most Wanted Out in the Cold Prod/Spotlight Prod Glasgow Mar
20th Century Fox

America's Most Wanted (cover shots) Spotlight Prod/STF Productions Hardin Jun

Antiques Roadshow* WGBH/PBS Billings Jun

Chimpanzee Preserve Out in the Cold Prod/Spotlight Prod Red Lodge Mar
Inside Edition

The Cook House with Mike & Matt Stafford Films/ESPN Bozeman & Three Forks areas Jul

Ghost Lab Everyday Paranormal/Discovery Channel Deer Lodge Jul

History Detectives Lion Television Billings Jul

How the States Got their Shapes Half Yard Prod/History Channel Bozeman area; Dillon area Dec

I Shouldn't Be Alive Darlow Smithson Prod/Animal Planet Bozeman Sep

In What State are the United States Free Run Pictures/Voyage Channel Butte; Crow Agency; Dillon; Livingston; Missoula Jun

Larry King Live Out in the Cold Prod/CNN Red Lodge Mar

The Legend Hunters 51 Minds Entertainment/VH1 Condon area; Swan Lake Sep

Man V. Food Sharp Entertainment/Travel Channel Butte Aug

Nightline Out in the Cold Prod/Spotlight Prod Billings; Roundup Nov
ABC

On the Case with Paula Zahn Out in the Cold Prod/Discovery Channel Billings; Darby Jul

Outside the Lines Out in the Cold Prod/ESPN Helena Jun

Pit Bulls & Parolees Out in the Cold Prod/44 Blue Productions Billings Apr

Powder Horn Montana The Sportsman's Channel Various Montana locations Various

Rachel Ray Show Spotlight Prod/Out in the Cold Prod Billings area—Molt Nov

Smoke Jumpers* Leroy & Morton Prod/Current TV Missoula area Sep

Through The Wormhole with Morgan Freeman. Incubator TV/Science Channel Bozeman Nov

Tom Brokaw interview West of Kin Productions Bozeman Aug

Tourette Syndrome Out in the Cold Prod/Inside Edition Missoula Jan

Wardens Muddy Boots Prod/Outdoor Channel Various Montana locations Various

The Wild Within Zero Point Zero Prod/Travel Channel Fort Peck Reservation; Missouri Breaks; Oct
Gardiner area—Yellowstone River

Assists (assistance provided to production company but project does not film in Montana)

Creating Destiny 2 JD Freeman Productions provided footage of various Montana locations Nov

History Detectives Lion Television/PBS provided aerial footage of Helena area Mar

Infinity of Nations exhibit Smithsonian Museum of the provided b-roll footage of Montana bison May
American Indian

Meeting Online Robert Kenner Films provided historical footage of Helena Jun

Rivertop Renewables West of Kin Productions provided Montana footage and stills Oct

2010



PRODUCTIONS

PROJECTS BY TOURISM REGIONS*

Custer Country

17 Projects

Glacier Country

14 Projects

Gold West Country

16 Projects

Missouri River Country

2 Projects

Russell Country

6 Projects

Yellowstone Country

20 Projects

* some projects have multiple filming locations



BESIDES SAVING YOU MONEY, MONTANA OFFERS

- EASY PERMITTING
- FILM FRIENDLY BUSINESSES & SERVICES
- FABULOUS DIVERSE LOCATIONS
- GREAT CREWS WITH YEARS OF EXPERIENCE
- AUTHENTIC WESTERN TOWNS AND SETS
- STUNNING PANORAMIC VISTAS

For more information or a certification form,
visit our website at www.montanafilm.com.

AN INCENTIVE FOR FILM PRODUCTION IN MONTANA

ON THE BIG SCREEN ACT

BIGGER SKIES BIGGER EVERYTHING.

Montana Film Office • Department of Commerce
301 S. Park Helena, MT 59620
800-553-4563 • 406-447-2876 • FAX: 406-841-2877
montanafilm@visitmt.com

FILM IN MONTANA, GET BIGGER SAVINGS

MONTANA PAYROLL REBATES

TAX RELIEF

EXPENDITURE REBATES

HIRE MONTANA CREW AND LABOR
for your production, and get a 14%
rebate on the first \$50,000 in wages
paid to each Montana resident.

When your production spends money
on hotels and lodging, production
equipment rentals, fuel, expendables,
and lumber, we'll give you 9% back.

**AND REMEMBER, MONTANA'S INCENTIVE HAS
NO CAP AND NO MINIMUM SPENDING REQUIREMENTS.**

REMEMBER TO GET CERTIFIED BY THE MONTANA FILM OFFICE

THE BIG SKY ON THE BIG SCREEN ACT: HOW IT WORKS

Your producer contacts the Montana Department of Commerce Film Office and requests a certificate of application form BEFORE filming starts: 800-553-4563 or montain@visitmt.com.

Your producer completes the form, including applicable business and production information, signs it to the Montana Film Office with a copy of the SAG-AFTRA card.

The Montana Film Office reviews your application, assigns a certification number and sends it to the Department of Revenue along with your producer's contact information.

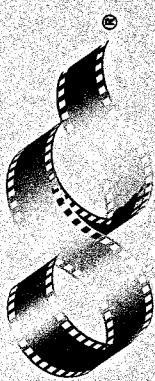
REMEMBER TO GET CERTIFIED BY THE MONTANA FILM OFFICE

The Industry's Program

Cast & Crew Services

CLL

Spring 2010



Cast & Crew
Entertainment Services

www.castandcrew.com

BURBANK

100 E. Tujunga Ave., 2nd Floor
Burbank, CA 91502

TEL: (818) 848-6022

NEW YORK

450 Seventh Ave., Suite 1703
New York, NY 10123

TEL: (212) 594-5686

ATLANTA

1301 Hightower Trail #125
Sandy Springs, GA 30350

TEL: (770) 642-0076

DETROIT

29200 Southfield Road #202
Southfield, MI 48076

TEL: (248) 552-1550

VANCOUVER

4259 Canada Way, Suite 250
Burnaby, BC V5G 1H1

TEL: (604) 437-6363

ALBUQUERQUE

320 Gold Ave. SW, Suite 1415
Albuquerque, NM 87102

TEL: (505) 247-0868

TORONTO

10000 Celtic Dr., O'Connor Bldg., Suite 205
Baton Rouge, LA 70809

TEL: (225) 330-6122

TORONTO

65 Heward Ave., Building A, Suite 202
Toronto, ON M4M 2T5

TEL: (416) 406-2768



Cast & Crew®
Entertainment Services

TIP
The Incentives Program
spring 2010

This document has been prepared as of April 1, 2010 by Cast & Crew Entertainment Services for informational purposes only and should not be construed as tax advice or specific production projects. Though every effort has been made to incorporate all changes as of the date noted above, laws and incentives change frequently and, information may have been revised. Please contact your tax advisors to confirm this information and the effect these incentive programs may have on your production. For additional information, please visit the Production Incentive section of our website at castandcrew.com.

Cast & Crew is a leading provider of payroll services to the entertainment industry. We have over three decades of long-standing relationships with major studios, top producers and production companies in the industry. Through offices in Burbank, New York, Albuquerque, Atlanta, Baton Rouge, Detroit, Toronto & Vancouver, Cast & Crew provides payroll services to the Motion Picture, Television and Commercial Industries and offers its comprehensive PSL family of production accounting software.

Cast & Crew was the first in our field to provide 24/7 on-line support as well as electronic interfacing of payroll data with our proprietary software. We've built long lasting client relationships based on mutual reliance, integrity and trust.

Production incentives have played an increasingly important role in determining the locations where motion picture and television productions are filmed. To better serve our clients, we have created



What state has the best incentive?

Assuming the script lends itself to numerous locations, the answer will vary depending on the specifics of the particular project. Some states limit or cap the amount of eligible salary for each individual or only allow the salary of residents to qualify. If the project is running up against salary caps, an alternative state without salary caps may yield a better result for the project, even if the incentive percentage is smaller.

The depth of the qualified crew base will also have an impact on the budget. If the crew base in the state cannot support more than one project at a time, the project will most likely incur additional transportation and per diem costs to bring in the required crew. These costs will increase the budget and, depending on the state, may or may not be considered qualified costs for the incentive.

When comparing a refundable jurisdiction with a nonrefundable one, it is imperative that the budget allow for the discounted value of the credit (if the project cannot use the credit) as well as the cost to transfer the nonrefundable credit. Some credits, like the Puerto Rico credit, may be sold for a higher dollar value during March & April. Keep in mind the economics of supply and demand apply to production incentives.

Most importantly, you need to stay current with production incentives. A state with a new incentive program may offer a more lucrative incentive to attract business to the state, while last year's front runner may have put a cap on their program.

Types of Incentives

In the United States (aside from sales tax exemptions/ refunds and hotel tax relief) there are basically two types of motion picture production incentives, rebates or grants and tax credits.

The Incentives Program (TIP). Headed by seasoned industry veteran, Joe Bessacini, our TIP program relies on our long-standing relationships with individuals in local film commissions and taxation/revenue departments. We are here to assist our clients in making sense of the ever-changing rules and requirements so they can maximize the cost savings on their productions.

This guide should be used as a starting point to familiarize you with production incentives available in the United States and Puerto Rico. For up-to-date detailed information regarding a specific incentive, contact Joe Bessacini directly at (818) 480-4427 or via email at joe.bessacini@castandcrew.com. You can also visit our website at www.castandcrew.com.

Call us and share your experience in the state you are working in. Your on-the-ground experience is invaluable to us!

Rebates and Grants

Rebate and grant programs operate in a similar manner, that is, they both return a cash payment to the eligible production company after all of the requirements of the program have been met. This type of incentive is not tied to filing an income tax return.

Tax Credits

Tax credit programs provide the production company with one of several different types of tax credits or combination thereof: refundable/nonrefundable, and/or, transferable/nontransferable.

Refundable – If the jurisdiction offers a refundable tax credit, as do the incentive programs in **Alabama, Hawaii, Indiana, Kentucky, Louisiana, Massachusetts, Michigan, Montana, New Mexico, New York State/City, North Carolina, Ohio, Utah, and Wisconsin**, the production company must file the appropriate tax return claiming the tax credit and, to the extent the production tax credit exceeds the company's tax liability, a refund will be issued. Generally, states offering a refundable tax credit do not allow the credit to be transferred.

Nonrefundable – The following jurisdictions offer nonrefundable tax credits: **Alaska, Arizona, California, Connecticut, Georgia, Illinois, Iowa, Kansas, Maine, Missouri, New Jersey, Pennsylvania, Puerto Rico, Rhode Island, and West Virginia**. In order to monetize a nonrefundable tax credit, the production company must either: 1) apply the credit against its existing tax liability, if any, in that state, or 2) have the ability to transfer/sell/assign the credit to a taxpayer that does have a tax liability in that state. All states allow nonrefundable tax credits to be sold, transferred or assigned except for Kansas and Maine.

Transferable – Generally, transferable credits may be sold, assigned or transferred to a taxpayer or group of taxpayers that have a tax liability in the state. Some states allow unlimited transfers to multiple transferees, while other states may restrict the number of transfers and the number of transferees that may participate in the transfer. In all cases, a transfer does not extend the carry forward period in which the credit must be used.

Qualifying Productions

Each state defines the type of production which will qualify for the incentive. Generally, the following types of productions DO qualify for the incentive: motion pictures, series, pilots, TV mini-series, movies for television and documentaries. Some states allow reality shows, commercials, infomercials, music videos and interactive entertainment. The following types of productions, generally, DO NOT qualify for the production incentives: any ongoing television program created primarily as news, weather or financial market reports; a production featuring current events; talk show; game show; sporting events; an awards show or other gala presentation; a production whose sole purpose is fundraising; and obscene material or performances. PRIOR to incurring any expense, check with the local film commission to determine if your project will qualify.

Qualifying Expenditures

Generally, the following expenditures, if incurred in the state offering the incentive, are considered qualified spend. Qualified expenditures may include: set construction and operation; wardrobe, make-up, accessories and related services; costs associated with photography and sound synchronization; lighting and related services and materials; editing and related services and materials; rental of facilities and equipment; leasing of vehicles; food and lodging; digital or tape editing, film processing, transfer of film to tape or digital format, sound mixing, computer graphics services; special and visual effects; airfare, if purchased through an in-state based travel agency or travel company; insurance costs and bonding, if purchased through an in-state based insurance company; and other direct costs of producing the project in accordance with generally accepted entertainment industry practices. Generally, postproduction expenditures for marketing and distribution do not qualify.

Travel – Each state handles travel costs differently. Generally, travel purchased through an in-state broker will qualify. However, the qualifying amount of travel costs will vary by state. Some states allow all travel costs as long as one leg touches down in the state, some allow travel into the state but not out of the state, still, other states only allow intra-state travel. Always check the rules, regulations, guidance or frequently asked questions for further information.

Insurance and Bonding Costs – Some states do not consider these costs as direct production expenditures and therefore, in those states, the costs do not qualify. Most of the states considering these costs as qualified spend require the insurance to be purchased from an in-state broker.

Box Rental or 'Tool Allowance' – Generally, if an inventory listing of the items being rented is provided, the payment will be coded as rental income on Form 1099. If an inventory list is not provided, the tool allowance is subject to income tax withholding and all employment taxes and is reported in Box 1 of Form W-2.

Meal & Incidental Per Diems – Each year, the US General Service Administration releases the new "deemed substantiated" per diem rates in effect beginning on October 31st. The dollar amount reflected in this table for each city represents the nontaxable or "deemed substantiated" portion of the per diem. For any city not specifically listed in the chart, the default amount for meals & incidentals is \$46 per day. The nontaxable per diems for the US may be found at: <http://www.gsa.gov>. If the meal per diem paid is in excess of the government "deemed substantiated" amount, then the excess is subject to income tax withholding and all applicable employment taxes. This excess amount is reported in Box 1 and the nontaxable portion is reported in Box 12 of Form W-2. Each state defines qualifying costs with respect to per diems differently. Some states include only the portion that appears in Box 1 as taxable wages, while other states qualify the entire per diem.

INCENTIVES-AT-A-GLANCE

STATE	INCENTIVE	TYPE OF INCENTIVE	REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD	PER PROJECT CAP	MINIMUM SPEND	ANNUAL CAP	QUALIFIED LABOR	LOAN OUT WITHHOLDING/ REGISTRATION	CPA AUDIT	SUNSET DATE	ENACTED BILL NUMBER
Alabama	25% Spend 35% Res Labor	Tax Credit	Yes/NA/NA	No Cap	\$500K*	\$7.5M 9/30/10 \$10 M 9/30/11	Each Resident & Nonresident**	No/No	Yes	NA	H 69
Alaska	30% Base, +10% Resident + 2% Rural + 2% Season	Tax Credit	No/Yes/3yr	No Cap	\$100k	\$100M for the life of the program*	Each Resident & Nonresident	No/No	Yes	7/1/13**	S 230
Arizona	20% or 30%*	Tax Credit	No/Yes/5yr	\$9M	\$250k	\$70M	Each Resident	No/No	Optional	12/31/10	43-1163 43-1075 41-1517
Arkansas	15% +10% BTL Res	Rebate	Yes/NA/NA	No Cap	\$50k	\$5M per fiscal year	Each Resident & Nonresident Subject to Tax*	No/No	Yes	6/30/19	H 1939
California	20% or 25%*	Tax Credit	No/Yes**/5yr	No Cap	\$1Mfeat \$500k MOW \$1M Per EPS	\$100M per fiscal year	Each BTL Resident & Nonresident	No/No	Yes	06/30/14	S 15c

INCENTIVES-AT-A-GLANCE

STATE	INCENTIVE	TYPE OF INCENTIVE	REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD	PER PROJECT CAP	MINIMUM SPEND	ANNUAL CAP	QUALIFIED LABOR	LOAN OUT WITHHOLDING/ REGISTRATION	CPA AUDIT	SUNSET DATE	ENACTED BILL NUMBER
Colorado	10%	Rebate	Yes/NA/NA	No Cap*	\$100k or \$1M **	\$680k per fiscal year	1st \$3M of Each Resident	No/No	No	6/30/17	H 1010
Connecticut	10% 15% 30%*	Tax Credit No/Yes**/3yr	No Cap	\$100k	No Cap	No Cap	Each Resident & Nonresident***	No/Yes	Yes	NA	09-03 S 2052d
District of Columbia	21%, 30%, 42%*	Rebate	Yes/NA/NA	No Cap	\$250k	Subject to Availability of funds	Each Resident & Nonresident*	No/No	No	NA	B 583

STATE	INCENTIVE	TYPE OF INCENTIVE	REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD	PER PROJECT CAP	MINIMUM SPEND	ANNUAL CAP	QUALIFIED LABOR	LOAN OUT WITHHOLDING/ REGISTRATION	CPA AUDIT	SUNSET DATE	ENACTED BILL NUMBER
Florida	15% + 5% Season + 2% Family 10% Dig Media	Rebate	Yes/NA/NA	\$8M Film \$500k Com/Music \$1M Dig Media	\$625k Th/TV \$100k Indie \$500k Com/Music \$300k Dig Media	\$9.18M Th/TV \$1.08M Indie \$540k Dig Media	1st \$400k of Each Resident	No/No	Yes	6/30/10	H 1325 S 2602 S 2600
Georgia	20% Base +10% Promo*	Tax Credit	No/Yes/5yr	No Cap	\$500k	No Cap	1st \$500k of Each Resident & Nonresident	No/No	No**	NA	H 1100
Hawaii	15% or 20%*	Tax Credit	Yes/NA/NA	\$8M	\$200k	No Cap	Each Resident & Nonresident Subject to HI Tax	No/Yes	No	12/31/15	S 2570

INCENTIVES-AT-A-GLANCE

STATE	INCENTIVE	TYPE OF INCENTIVE	REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD	PER PROJECT CAP	MINIMUM SPEND	ANNUAL CAP	QUALIFIED LABOR	LOAN OUT WITHHOLDING/ REGISTRATION	CPA AUDIT	SUNSET DATE	ENACTED BILL NUMBER
Idaho	20%	Rebate	Yes/Yes/NA	\$500k	\$200k	\$1M*	Each BTI Resident & Nonresident	No/No	No	6/30/14	H 592
Illinois	30% Spend +15% Wage*	Tax Credit	No/Yes/5yr	No Cap	<30min>\$50k ≥30min>\$100k	No Cap	1st \$100k of Each Resident	No/No	Yes	NA	H 2482 S 1981
Indiana	Up to 15%	Tax Credit	Yes/No/NA	No Cap	\$100k Film/TV \$50k Other	\$2.5M	Each Resident	No/No	No	12/31/11	H 1388 H 1125
Iowa	Up to 25% Producer +25% Investor*	Tax Credit	No/Yes/5yr	No Cap**	\$100k	\$50M	Each Resident & Nonresident*** amount varies based on spend	No/No	No***	NA	H 2450 H 892 H 480 SF 2380
Kansas	30%	Tax Credit	No/No/3yr	No Cap	≤ 30 min>\$50k ≥30min>\$100k	\$2M	Each Resident & Each O/S Performing Artist*	No/No	No**	12/31/12	H 2004 H 2365
Kentucky	20%	Tax Credit	Yes/No/No	No Cap	Film/TV \$500k Com \$200k Drama, Drama Romantic, Romant	No Cap	All BTI, 1st \$100k of each ATI	No/No	No	12/31/14	H 3a

INCENTIVES-AT-A-GLANCE

STATE	INCENTIVE	TYPE OF INCENTIVE	REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD	PER PROJECT CAP	MINIMUM SPEND	ANNUAL CAP	QUALIFIED LABOR	LOAN OUT WITHHOLDING/ REGISTRATION	CPA AUDIT	SUNSET DATE	ENACTED BILL NUMBER
Louisiana	30% Base +5% Wage*	Tax Credit	Yes**/Yes/10yr	No Cap	>\$300k	No Cap	Each Resident & Nonresident	No/No	Yes	NA	478
Jefferson Parish, Louisiana	3%	Rebate	Yes/NA/NA	\$100k*	\$150k	\$1.5M**	Each Resident	No/No	Yes	NA	110061
Maine	10% - 12% Wage*	Rebate	Yes/NA/NA	No Cap	\$75k	No Cap	1st \$50k of Each Resident & Nonresident	No/No	No	NA	H 105
Maryland	5%	Tax Credit	No/No/No	No Cap	\$75k	No Cap	No	No/No	Yes	NA	H 100
Massachusetts	25%	Rebate	Yes/NA/NA	No Cap	\$500k	\$1M per fiscal year	Each Resident & Nonresident Earning < \$1M	No/No	Yes	NA	H 1050 H 100
Michigan	25% Payroll 25% Spend	Tax Credit	Optional/Yes/5yr	No Cap	\$50k	No Cap	Each Resident & Nonresident *	Yes 5.3%/Yes	Yes	12/31/22	H 4252 H 4084 H 4904
Missouri	30%, 40%, 42%*	Tax Credit	Yes/Yes/NA	No Cap	\$50k	No Cap	1st \$2M of Each Resident & Nonresident/ Loan out	Yes 4.35%/Yes	Yes	NA	H 5841 H 5844

INCENTIVES-AT-A-GLANCE

STATE	INCENTIVE	TYPE OF INCENTIVE	REFUNDABLE/ TRANSFERABLE/ CARRY FORWARD	PER PROJECT CAP	MINIMUM SPEND	ANNUAL CAP	QUALIFIED LABOR	LOAN OUT WITHHOLDING/ REGISTRATION	CPA AUDIT	SUNSET DATE	ENACTED BILL NUMBER
Minnesota	Up to 15%* Up to 20%**	Rebate	Yes/NA/NA Yes/NA/NA	No Cap No Cap	\$5M >\$5M**	\$1.225M per biennium	Each Resident	No/Yes	No	6/30/11 H 1812 H 1671	
Mississippi	20% Local Spend & NR Labor 25% Resident Labor	Rebate	Yes/NA/NA	\$8M	\$20k	\$20M	1st \$1M of Each Resident & Nonresident Subject to W/H	No/No	Maybe	6/30/12* H 1351	
Montana	35% 30% NR Labor*	Tax Credit	No/Yes/5yr	No Cap	< 30 min >\$50k > 30 min >\$100k	\$4.5M	Each Resident & Nonresident Subject to Tax **	No/No	No	9/4/13 H 1	
New Jersey	20%	Tax Credit	No/Yes/7yr	No Cap	\$0	No Cap	1st \$50k of Each Resident	No/No	No	12/31/14 H 40 H 584 H 163	
New Mexico	25%	Tax Credit	Yes/NA/NA	No Cap*	\$0	\$10M per fiscal year	Each Resident & Nonresident Subject to Tax	No/Yes	Yes	6/30/15 S 2526	